

Continuing insurance upon retirement

for Minnesota state employees – Regular and Early Retirees

As a prospective retiree, you have the option to continue your insurance coverage through the State Employee Group Insurance Program. The following is a summary of your options.

There are two types of retirees:

- Regular retiree: age 65 or over, and entitled to receive a retirement annuity based upon years of service.
- Early retiree: under age 65 at time of retirement, has five years of allowable pension service or meets the service requirement of the collective bargaining agreement or plan, whichever is greater, and is entitled at the time of retirement to immediately receive a retirement benefit or a retirement annuity under a retirement program sponsored by the state or such organization of the state, or
 - Is at least 50 years of age with at least 15 years of state service.

Whichever category applies, you must make a decision at the time you retire whether you want to continue your insurance coverage. If you choose not to continue coverage, you cannot enroll at any time in the future.

Our application

If you wish to continue medical insurance, dental insurance, medical/dental expense account, and/or life insurance, you must complete a "[Request for Continuation of Coverage - Retirement](#)" form. This form is available from your Human Resource (HR) Office or your Designated Department Insurance Representative (DDIR), and must be completed within 30 days of retirement. Once the form is completed, have your DDIR or HR sign and date the forms. It is the DDIR's or HR's responsibility to:

- Send a copy of the form to SEGIP, part of Minnesota Management & Budget (MMB)
- SEGIP will forward a copy to the medical and dental insurance carriers and Minnesota Life

Addresses and instructions are shown on the second page of the form. You will be billed by the carrier(s) for the premiums which are due each month. The medical and dental carriers, as well as Minnesota Life offer direct bill pay options. MMB/SEGIP does not have this ability.

Your insurance carriers

You may change health or dental plans within the 60-day period immediately prior to your retirement. Your new plan will become effective the same day as your retirement coverage.

Dependents may **not** be added during this special enrollment period. A dependent may be added if the dependent loses other group insurance coverage, or if you become newly married after you retire. The dependents must be added within 30 days of the occurrence of either event and documentation of the event will be requested following receipt of your completed application.

Retirees may also change insurance carriers during regular Open Enrollment periods, which are usually held in the fall, at the same time as Open Enrollments for active employees. All retirees who have continued their insurance are sent information prior to the Open Enrollment.

This annual Open Enrollment is not an opportunity to re-enroll in the state group if insurance has not been continued nor to add dependent coverage at this time.

Your medical insurance and Medicare

As you are approaching age 65 you will receive information from the Social Security Administration concerning Medicare.

- About two months prior to your 65th birthday you will receive information from the Social Security Administration concerning Medicare. In order to remain with the State Employee Group Insurance Program as a retiree, you must apply for Medicare Parts A and B.
- The insurance plans available to retirees age 65 and over in the State Employee Group Insurance Program all coordinate with Medicare coverage. Along with information on continuation in the State Employee Group Insurance Program, you may also receive information from your insurance carrier regarding supplements to Medicare which are individual policies. If you choose to enroll in one of these individual policies, you and your dependents will no longer be in the State Employee Group Insurance Program and forfeit any right to rejoin the group.
- There is generally no charge for Medicare Part A (hospital insurance). Medicare Part B (medical insurance) does have a premium, which is deducted from your social security check. The Part B rate is subject to change each year. Check with Medicare for information about high income earners.
- **If you are not eligible for Medicare, you may remain with the State Employee Group Insurance Program. You must pay the premiums directly to the carrier; premiums are the same as for an employee/retiree under the age of 65.**
- If you cover your spouse and they reach 65, your spouse must sign up for Medicare Parts A & B and move into the Senior Plan with the same carrier you are enrolled with.
- If you are in the State group when you reach age 65 and enroll in Medicare, your coverage can change to the 65 and over Senior Plan with your same carrier.

- After the state application is received by the plan, a retiree or their spouse who is 65 or greater will also be required to fill out an additional application with the plan to include information required for Medicare coordination. This application will also be sent to early retirees approximately two months prior to their 65th birthday.
- If you choose to discontinue participation in the State group because of gaining Medicare eligibility, your spouse/dependents may be eligible to continue in the group medical coverage for up to 36 months.
- **If you choose to discontinue your medical insurance, you cannot re-enroll in the future.**

Your dental insurance

You may also continue your dental insurance when you retire. The dental plans which are offered to retirees are the same as those offered to active employees, and there is no difference in coverage or in premiums. Premiums are paid directly to the carrier.

- You do not need to continue medical insurance in order to continue dental insurance coverage.
- **If you choose to discontinue your dental coverage, you cannot re-enroll at any time in the future.**

Your coverage out of area

All medical and dental plans in the State Group Insurance Program have worldwide coverage for emergency procedures while you are in a travel status.

For retirees under age 65, who permanently move away from the State of Minnesota, the Advantage health plans offers Point of Service (POS) out of network benefits. Retirees may receive provider discounts when using the national PPO of the health plan in which they enroll. Retirees (or their dependents) must request coverage under POS if permanently residing outside the state of Minnesota or the service area of the Advantage Plan.

Retirees over age 65, who permanently move away from the State of Minnesota, must enroll in Blue Cross Blue Shield Coordinated Plan.

The dental plans are available for all retirees who permanently live away from the State of Minnesota with a reduced level of benefits. Check with your dental carrier for information about network dentists or pre-estimates of benefits if you might be using the out-of-network dental benefit.

Your life insurance

You may continue any life insurance in force at the time of your retirement, for 18 months after you retire.

- After this 18-month period, all or part of your life insurance may be converted to an individual policy. For conversion information, call (651) 665-3789.
- You may continue your optional employee life insurance and/or spouse life insurance until age 65 if you will be eligible for the post-retirement benefit.

Your post-retirement benefit

If you have, or will have carried optional employee and/or spouse life insurance for at least five consecutive years immediately preceding retirement or age 65, whichever is later, there is an additional benefit available to you at no cost. You are eligible for a paid-up post-retirement benefit.

- This policy amounts to 15 percent of the **smallest amount** of optional employee life and/or spouse life insurance in force during the five years specified above.
- Early/special retirees must elect to continue any optional life insurance to age 65 in order to qualify for this benefit (this may extend the maximum period beyond 18 months).
- Retirees must elect to continue spouse life insurance until his/her spouse reaches age 65 in order to qualify for this benefit (this may extend the maximum period beyond 18 months).

******Note******

You may designate or change your beneficiary any time by logging onto MN LIFE'S website at <http://web1.lifebenefits.com/lb/home.htm>

Your \$250 Post Retirement Benefit

Employees who retire or become totally and permanently disabled on or after January 1, 2008, may be entitled to a \$250 contribution to the MN State Retirement System's (MSRS) Health Care Savings Plan (HCSP).

If you have further questions about insurance coverage at retirement, contact your agency's Designated Department Insurance Representative (DDIR), your Human Resource Representative or a Benefits Specialist with Minnesota Management and Budget at (651) 355-0100.